



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 28, 2001

Gayle F. McKeachnie
McKeachnie, Allred, McClellan & Trotter, P.C.
121 West Main Street
Vernal, Utah 84078

Re: Request for Extension to Submit Surety, Ziegler Chemical and Mineral Corporation, Ziegler Chemical Mine, M/047/013, Uintah County, Utah

Dear Mr. McKeachnie:

On November 19, 2001, we received your faxed letter, requesting a 30-day extension to submit the \$400,000 reclamation surety. Your fax stated that you may pursue obtaining a \$250,000 supplemental surety bond to add to the \$150,000 surety bond already in place. Please be advised that the Division currently holds a \$143,900 surety bond; therefore, the remaining surety amount required to update this surety to year 2006 dollars is \$256,700.

Due to the difficulty in your pursuit of a replacement surety, the Division hereby grants your request to submit the remaining surety and extends the timeframe to December 31, 2001. There are other types of surety that could be submitted, i.e. Letter of Credit, or Certificate of Deposit which you may wish to pursue.

Thank you for your help in finalizing this surety requirement and keeping us updated on your progress. If you have any concerns regarding this letter please contact me at (801) 538-5286 or Doug Jensen at 538-5382.

Sincerely,

for D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

cc: Gordon Ziegler, Ziegler Chemical
M47-13-extend.doc